

Yadkin County Board of Commissioners
Minutes from Recessed Meeting
(With Department Heads)
June 4, 2007

Members present

Kim Clark Phillips- Chairman
Tommy Garner - Vice-Chairman
Chad Wagoner - Commissioner
Joel Cornelius - Commissioner
Brady Wooten - Commissioner

Other Staff Present

Eric Williams – County Manager
Gina Brown – Clerk to the Board
Sheron Church – Finance Director
Cheri Cranfill – Solid Waste Director

Representing the Sheriff's Office/Jail

Mike Cain - Sheriff
Danny Widener - Major
Tom Helms - Officer

Representing Communications

David Matthews – Director

Representing Emergency Management

Dale Trivette – Emergency Management
Brent Hawks – Emergency Medical

Representing Inspections

Gary Hayes – Inspections Director

Representing Fire Marshal

Eddie Weatherman – Yadkin Fire Marshal

Representing Tax Administration/Land Records

Phyllis Adams – Tax Administration Director
Chris Shugart – IT Director

Chair Phillips called the meeting back to order at 6:35pm.

GENERAL UPDATES/ANNOUNCEMENTS:

Chair Phillips would like to add Register of Deeds, Arts Council, and Board of Elections to the budget work sessions scheduled for Wednesday, June 20. Manager Williams will arrange for those directors to meet with the Board on that date.

County Manager Williams provided the Board with a copy of a draft letter to be sent to the School system in regards to charges for waste disposal. After brief discussion, the Board provided approval of the letter.

Cheri Cranfill, Solid Waste Director, provided a draft letter to be sent to all property owners concerning the new household fee for bagged trash. After brief discussion, the Board provided approval of the letter.

BUDGET MEETINGS WITH DEPARTMENT HEADS AND STAFF:

Sheriff's Office:

Biggest concern for this year's budget is financing for vehicles and some minor construction costs. The Sheriff's office is asking for 8 vehicles for replacement. The office is in need of a new roof and other minor structural needs. Commissioner Cornelius asked how the department estimated their fuel needs. Major Widener reported that last year's cost + 5% was used as an estimate. However, the department will max out on this year's budget even with parking the vehicles 15 minutes of every hour. Manager Williams reported on the current system of fueling using the "Fuel Man Contract". Manager Williams reported that the contract will soon be up for renegotiation. After some discussion, the Board tentatively agreed on 7 vehicles. However, no official budget action was taken.

Communications:

David Matthews, Communications Director reported that 95% of his budget is in salaries. There are some concerns with overtime pay versus compensatory time. Some discussion followed concerning county policy for time worked over 40 hours. However, Director Matthews reported that his department does not work the

standard Monday – Friday 8-5 work schedule. The Communications staff work 48 hours one week and 36 the next. County policy of overtime should not be applied by the same rules in this particular department. County Manager Williams agreed to explore this concern once the budget is in place. A second concern is that there is no compensation from the municipalities for dispatching service. Manager Williams believed this is worthy of a serious conversation at some point in the future.

Jail:

No new positions are being requested. Food and provisions are the major concern of this budget. The Yadkin County Jail had used Emergency Room services for medical concerns in the past but the cost was prohibitive. Recently, the Jail had contracted with a South Carolina company to provide medical attention. This South Carolina Company is not renewing the contract as they have no other interests in North Carolina. Jail staff is currently discussing an arrangement with Hoots Memorial Hospital to provide the medical service. Stokes Hospital provides a similar service for the Stokes County Jail and both hospitals are owned by the same entity. Negotiations and discussions are ongoing.

Chair Phillips called for a break at 8:00pm. Meeting reconvened at 8:10.

Emergency Medical Service/Emergency Management:

County Manager Williams proposed a new outpost in the West Yadkin area utilizing a building already owned by the County with only minor structural needs. The new outpost would require 2 new employees and 1 remounted ambulance. In addition, the department requested 1 new ambulance at approximately \$75,000. Emergency Medical Service Director, Brent Hawks, is more concerned with part-time salaries of employees. Part-time staff have not received COLA increases for several years and salaries are way behind market rate. It had been estimated that part-time staff would need a 17% increase to have a competitive rate as compared with surrounding counties. Director Hawks also noted that there is a local shortage of paramedics making it even harder for Yadkin County to compete for qualified employees. Director Hawks specifically acknowledged that Yadkin County Emergency Medical Services are projected to recover 46¢ of every \$1.00 spent.

Manager Williams also proposed a restructuring of the department placing Emergency Medical Services and the Fire Marshal under the direct supervision of the Emergency Management Department. Fire Marshal Weatherman, EMS Director Hawks, and Emergency Management Director Trivette would remain in their current positions with current titles and salaries. This proposal would be organizational only and have these department heads reporting to Emergency Management rather than directly to the County Manager.

Fire Marshal:

In addition to a supervisory change, the Fire Marshal's office would surrender the responsibility for routine fire inspections. These inspections would become the responsibility of the Inspections and Permitting Department. Routine building and fire inspections on facilities such as schools and nursing homes could then be completed with 1 staff person trained in both areas as opposed to 2 different inspectors completing similar tasks.

Fire Marshal Weatherman reported that he could not continue to maintain the responsibilities of the Fire Marshal's Office as a 1-man operation. Fire Marshal Weatherman reported that the scope of his duties prevent him from staying current on inspections. He asked the Board to consider the personal and financial liability in the event of a major accident in Yadkin County. Fire Marshal Weatherman further reported that he could serve jail time for failing to complete inspections properly and timely. Restructuring fire inspections under the Inspections and Permitting Department is one way to alleviate some of the burden. This department also asked for part-time clerical assistance.

Paid personnel was also requested for various 'volunteer' fire departments in the county. West Yadkin District requested an 1 ¼% increase in the fire tax rate for their district making them the highest base rate in the county.

Additional discussion took place regarding landowners with subdivisions. Tax Administration Director, Phyllis Adams, stated that subdivisions with no structure are not typically assessed a fee until they are added to the tax records as of January 1. Percentage of completion is not a factor.

Commissioner Wagoner made a motion to assess the household bagged trash fee for subdivisions in accordance with similar tax policies.

Commissioner Cornelius second.

Vote: 5/0

Board of Commissioners met with Janice Burke of 1st Southwest Financial to review the debt models for new school construction, jail/law enforcement center construction, and other capital projects. Ms. Burke provided the following documents:

- (1) Capital Improvement Plan – Total Available Revenue for School Debt Service
- (2) School Capital Improvement Plan –
 Illustrated Debt Service and Tax Rate Impact –
 Proposed COPs – 20 year Principal Scenario
- (3) General Fund School Debt Service
- (4) Capital Improvement Plan – Lottery Receipts
- (5) School Capital Improvement Plan – Growth in Taxable Assessed Valuation
- (6) Capital Improvement Plan – Total Available Revenue for Debt Service
- (7) Capital Improvement Plan –
 Illustrated Debt Service and Tax Rate Impact –
 Proposed COPs – 20 year Principal Scenario
- (8) General Fund Total Debt Service
- (9) Capital Improvement Plan – Growth in Assessed Valuation

Ms. Burke reviewed each document with the Board providing an explanation for the figures and justification for the projected 8¢ increase in tax rate. Ms. Burke also provided a list of the assumptions that she used in her figures. This list follows:

Yadkin County Capital Improvement Plan Assumptions

- (1) Projected assessed values are increased by 20% in revaluation years.
- (2) Tax collection rate is 94%; the 2006 collection rate.

- (3) Lottery receipts for 2008 are projected at \$780,000 , an estimate for FY 2008 based on current criteria available to DPI. This amount was used for planning purposes for all future years (0% growth).
- (4) Article 40 and 42 restricted portion of sales tax estimated for 2007; used a 3% growth factor for 2008; thereafter assumed a 2% annual growth rate.
- (5) Public School Building Capital Outlay Fund projections are from DPI thru 2014; thereafter assumed no growth.
- (6) Assumption made that both the restricted portion of Article 40 and 42 sales tax and the monies received from the Public School Building Capital Outlay Fund are available for debt service payments, with exceptions noted.
- (7) Assumption made that the current balance in the County's School Capital Reserve Fund is available for school debt service.
- (8) Interest earnings on all project funds are projected using 5% annual rates.
- (9) **Sale 1** - COPs sale assumed to occur December 1, 2007. Bond proceeds plus \$1 million from the current Public School Building Capital Fund will total \$27.3 million in the Project Fund for two new middle schools. (Forbush and Starmount).
- (10) **Sale -2** - COPs sale assumed to occur in October 2008. Bond proceeds to be used for construction of a new jail, physical education facilities, renovation and additions to Courtney and West Yadkin Elementary Schools, including furniture and equipment.
- (11) **Sale 3** - COPs sale assumed to occur in April 2010. Bond proceeds to be used for renovation and additions to Yadkin, Forbush, Fall Creek Elementary Schools and the Success Academy, including furniture and equipment.
- (12) All project estimates were increased by an annual inflation factor of 5% on all projects to be financed after 2007.

Much discussion followed. Commissioner Cornelius asked why the County would begin to adjust tax rates this year for a debt that would not be incurred until at least next year. Ms. Burke replied that the gain from the tax rate increase for this year could be re-invested to add to the capital fund. In addition, tax rate

increases would not have to be imposed each year. Upon review of the data from the School Board, Commissioner Wagoner flagged a discrepancy between the projected cost of the middle schools per the School Board and the figures used by Ms. Burke on her projections. Ms. Burke estimated this financial discrepancy could result in a lower projected tax rate than anticipated – possibly from 8¢ to 6¢. Ms. Burke agreed to complete new debt models using the School Board's projected figures and provide revised data.

Ms. Burke commented on Yadkin County's bond rating. Bond ratings are often tied to the strength of the economy. Yadkin's unemployment rate is at 4 ½% or less but the tax base is not growing substantially at this time.

Commissioner Cornelius made a motion to recess until 8:30pm at the Yadkin County Planning and Zoning Building. Vice Chair Garner second. Vote: 5/0

Prepared and Approved by Clerk to the Board